TENNESSEE REGULATORY AUTHORITY



460 James Robertson Parkway Nashville, Tennessee 37243-0505

Sara Kyle, Chairman Deborah Taylor Tate, Director Pat Miller, Director Ron Jones, Director

February 7, 2003

Charles L. Howorth, Jr.
Regulatory Vice President
BellSouth Telecommunications, Inc.
Suite 2104, 333 Commerce Street
Nashville, TN 37201-3300

Dear Mr. Howorth:

In order to assist the Authority in its review of BellSouth's Tariff 03-0017, (Docket 03-00060), Tariff filing by BellSouth to introduce the Welcoming Reward Program, it is requested that BellSouth explain in detail how the Welcoming Reward Program is made available for resale. The response should describe the discounts that a resale provider would receive under the program and terms and conditions that a resale provider must meet in order to qualify for said discounts. It would also greatly assist the Authority if the response included a specific example of how the resale discount will be applied. Accordingly, please use the following hypothetical situation in your response. If a reseller in Nashville who is eligible for 16% resale discount requests five business lines with touch-tone under the Welcoming Reward Program, what monthly recurring rate will be charged to the reseller for each of the five lines. Please provide supporting calculations. Also, please exclude the influence of SLC, taxes and other surcharges in your calculations.

Since this matter is scheduled for the February 18, 2003 Authority Conference, your prompt attention is appreciated. Therefore, we request a written response be provided no later than Monday February 10, 2003. If there are any questions regarding this matter, call David Foster at (615) 741-2791, extension 188.

Sincerely,

Joe Werner, Chief of Telecommunications

Chairman Sara Kyle,
Director Deborah Taylor Tate
Director Ron Jones
Director Pat Miller
Henry Walker, Esquire
Joe Shirley, Esquire